

Message Text

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C O R R E C T E D C O P Y - T E X T

EO 11652: N/A

TAGS: OCON, ECAFE

SUBJ: ECAFE: AMBASSADOR FERGUSONS SPEECH - ITEM 4 AGENDA

1. SUMMARY: FOLLOWING IS TEXT OF SPEECH TO BE DELIVERED BY
AMB FERGUSON THURSDAY MORNING ON ITEM 4 OF AGENDA
CURRENT ECAFE PLENARY MEETING. ACTION REQUESTED USUN
REPRODUCE SPEECH IN PRESS RELEASE FORM FOR USUAL DISTRIBUTION
UN. END SUMMARY.

ONE YEAR AGO MY PREDECESSOR, AMB ZAGORIN, IN REVIEWING
THE STATE OF THE ECONOMY IN THE ECAFE REGION DREW ATTENTION TO THE
FACT THAT THAT REVIEW WAS TAKING PLACE AGAINST A BACKGROUND OF BOTH
RAPID AND FUNDAMENTAL CHANGE. THAT CHANGE WAS THEN AFFECTING
ECONOMIC RELATIONS ON A GLOBAL SCALE. INDEED, NOT SINCE THE END OF
WORLD WAR II HAD THERE BEEN CHANGES IN THE WORLD ECONOMY COMMENSURATE
WITH THOSE WITNESSED AT LAST YEARS MEETING.

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TODAY THE ORDER, AND MAGNITUDE, AND RAPIDITY OF EVOLUTION --

INDEED ALMOST REVOLUTION -- IN THE WORLD ECONOMY FAR EXCEED THAT OF JUST LAST YEAR. IN REFLECTING UPON THE EVENTS OF THIS LAST YEAR, WE MUST ADMIT TO HAVING UNDERESTIMATED THE INTENSITY OF THE STRUCTURAL CHANGES THRUST UPON THE GLOBAL ECONOMY.

LAST YEAR WE LOOKED TO THE PROCESS OF INTERNATIONAL MONETARY REFORMS AND THE MULTILATERAL TRADE NEGOTIATIONS AND THE INTERNATIONAL DEVELOPMENT STRATEGY AS VEHICLES TO ADAPT THE WORLD ECONOMY TO THE CHANGED ECONOMIC CONDITIONS. TODAY, WE MUST MAKE SURE -- WE MUST TAKE ALL NECESSARY MEASURES TO ASSURE THAT THE GOALS AND OBJECTIVES WE SET FOR OURSELVES IN THESE UNDERTAKINGS ENCOMPASS OUR MOST RECENT EXPERIENCES.

WE HAVE WITNESSED THE DEVELOPMENT OF MAJOR CRISES IN TWO SECTORS OF BASIC, FUNDAMENTAL IMPORTANCE TO THE GLOBAL ECONOMY. THESE SECTORS ARE, OF COURSE, ENERGY AND FOOD. MOREOVER, THESE TWO SECTORS ARE INTRICATELY INTERLINKED. THE BREAKDOWN OF SOME OF THESE LINKS BETWEEN FOOD AND ENERGY ARE IN FACT OF SUCH COMPELLING URGENCY AS TO THREATEN THE VERY LIVES OF LARGE NUMBERS OF THE WORLD'S POPULATION. NEEDLESS TO SAY, ONE SUCH LINK BETWEEN ENERGY AND FOOD -- FERTILIZER --

REQUIRES THE MOST URGENT ATTENTION AT THIS VERY MOMENT. WHILE IN MY COUNTRY THE PETROL QUEUE, OR AS WE CALL IT -- THE "GASOLINE LINE" REPRESENTS AN INCONVENIENCE OF AFFLUENCE, IN MANY COUNTRIES THE BREAD LINE WILL BE THE TRUE MEASURE OF THE GLOBAL ECONOMIC CRISIS.

IN LIGHT OF THESE CRISES DEVELOPING FROM A NUMBER OF FACTORS -- EXPLOSIVE DEMAND GROWTH, SUPPLY LIMITATIONS AND NATURAL DISASTERS -- IT IS INDEED NOT SURPRISING THAT THE UNITED STATES GOVT FELT COMPELLED TO CALL FOR A WORLD FOOD CONFERENCE IN 1974. IT IS NOT SURPRISING THAT OUR GOVT LAUNCHED AN URGENT INITIATIVE FOR A CONCERTED INTERNATIONAL ACTION TO DEAL WITH ENERGY. AND, IT IS NOT SURPRISING THAT, AT THE INITIATIVE OF OTHER GOVERNMENTS, WE WILL SOON MEET AT A SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY TO CONSIDER THE PROBLEM OF RAW MATERIALS AND DEVELOPMENT.

I SHOULD, THEREFORE, LIKE TO REVIEW WITH YOU THE MAJOR DEVELOPMENTS, AS WE SEE THEM, IN MATTERS OF ENERGY AND FOOD, AND OF INTERLINKAGES BETWEEN THE TWO, AND SOME OF THE IMPLICATIONS WHICH

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ARISE NOT ONLY FOR ECONOMIC, BUT ALSO FOR SOCIAL DEVELOPMENT. ENERGY IS A KEY FACTOR IN ECONOMIC ACTIVITY. THE MAJOR CHAPTERS OF THE HISTORY OF MANKIND RELATE PRINCIPALLY TO CHANGES IN THE TECHNOLOGY OF HARNESSING AND APPLYING ENERGY. THE WHOLE SWEEP OF HISTORY, FROM THE USE OF MAN'S OWN ENERGY TO THAT OF LITERALLY HARNESSING THE SUN, BEARS OUT THIS ASSERTION. OVER THE LAST SEVERAL DECADES, AND PARTICULARLY SINCE WORLD WAR II, THERE HAS BEEN A GENERALLY SUCCESSFUL RECORD OF WORLD ECONOMIC EXPANSION. THIS

EXPANSION HAS BEEN MARKED BY SUCH RECURRENT PHENOMENA AS THE REDUCTION OF TRADE BARRIERS, THE GROWTH OF GNP'S ALBEIT AT UNEVEN RATES AROUND THE WORLD, AND THE EXPLOSIVE GROWTH IN TRADE AND COMMUNICATIONS. IN OUR VIEW, ECONOMIC HISTORIANS LOOKING BACK ON THE QUARTER CENTURY SINCE WORLD WAR II WILL UNDOUBTEDLY CONCLUDE THAT THE ABUNDANCE OF RELATIVELY CHEAP, CONVENIENT AND FLEXIBLE SOURCE OF ENERGY -- OIL -- WAS THE MOST SIGNIFICANT HALLMARK OF THE PERIOD.

WE CAN NOW SEE THAT THE OIL CRISIS HAS RESULTED FROM A CONFLUENCE OF THREE ESSENTIAL ATTRIBUTES OF THE GLOBAL ECONOMIC SYSTEM. FIRST, RELIANCE ON PETROLEUM HAS BEEN A CENTRAL FACTOR IN BOTH DEVELOPED AND DEVELOPING ECONOMIES. THIS RELIANCE HAS BEEN ON PETROLEUM NOT SIMPLY AS A FUEL BUT ALSO AS A COMMODITY PRODUCING OTHER ESSENTIALS SUCH AS FERTILIZER, INSECTICIDES, PLASTICS AND SYNTHETICS RANGING FROM TEXTILES TO RUBBER. SECOND, THE RELATIVELY HIGH CONCENTRATION, IN TERMS OF LOCATION AND THE CONCENTRATED LOCI OF PRODUCTION FACILITIES, HAS STRENGTHENED THE HAND OF A RELATIVELY FEW COUNTRIES OF THE WORLD WHO HAVE BEEN FORTUNATE ENOUGH TO BE BLESSED BY NATURE WITH LARGE DEPOSITS OF FOSSIL FUEL. THIRD, THE EXPLOSIVE GROWTH IN THE DEMAND FOR ENERGY IN THE LAST DECADE HAS CREATED SEVERE IMBALANCES BETWEEN SUPPLY AND DEMAND. THESE IMBALANCES AFFECT THE AVAILABILITY OF OTHER GOODS AND COMMODITIES AND THEIR PRICES. WE WOULD SUGGEST, HOWEVER, THAT THE PRICING PATTERN OF OTHER COMMODITIES AND GOODS PLAY A LESS KEY ROLE IN TOTAL ECONOMIC ACTIVITY THAN DOES THAT OF THE PRICE OF PETROLUUM. BECAUSE THE USE OF THESE OTHER COMMODITIES IS LESS EXTENSIVE OR THEIR PRODUCTION IS LESS CONCENTRATED

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THEIR SCARCITY AND THE OCCASIONAL IMBALANCES IN THEIR SUPPLY AND DEMAND HAS POSED A LESS PERVASIVE ECONOMIC PROBLEM. JUST TO CITE ONE ASPECT OF OUR ENERGY CRISIS WE MIGHT EXAMINE THE MAGNITUDE OF THE PAYMENTS PROBLEM. WE CANNOT IGNORE THE DIRE CONSEQUENCES TO MANY NATIONAL ECONOMIES OF A 300 PERCENT PLUS INCREASE IN OIL IMPORT BILLS. WHILE CONSERVATIVE PROJECTIONS INDICATE AN INCREASE OF 25 TO 30 BILLION US DOLLARS IN THE OIL IMPORT BILLS FOR THE DEVELOPED ECONOMIES, THESE SAME PROJECTIONS FORECAST AN INCREASED COST -- THIS YEAR -- OF MORE THAN 10 BILLION FOR THE LESSER DEVELOPED. I WOULD DARE SAY NO OTHER SINGLE ECONOMIC DEVELOPMENT IS LIKELY TO INDUCE OR INDEED IS CAPABLE OF INDUCING CHANGES OF THIS MAGNITUDE IN THE INTERNATIONAL MONETARY SYSTEM.

MY GOVERNMENT BELIEVES THAT THROUGH INTERNATIONAL COOPERATION WE MUST AND WILL FIND SOLUTIONS. WE FULLY ANTICIPATE THAT THE SOLUTIONS WILL BE EQUITABLE AND SATISFACTORY TO BOTH CONSUMER AND PRODUCER COUNTRIES. IN THIS CONNECTION MY GOVERNMENT BELIEVES THAT THE UNITED STATES IS IN A UNIQUE POSITION TO MAKE A CONTRIBUTION TO THE RESOLUTION OF THESE ECONOMIC PROBLEMS. THE UNITED STATES IS AN IMPORTER AND CONSUMER OF A LARGE PORTION OF UNCLASSIFIED

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THE WORLDS COMMODITIES -- BUT WE ARE ALSO A SUBSTANTIAL PRODUCER AND EXPORTER OF A MAJOR PROPORTION OF COMMODITIES AND MATERIALS. WE ARE BOTH A MAJOR PRODUCER AND CONSUMER OF PETROLEUM AND OTHER FOSSIL FUELS. TAKING INTO ACCOUNT THIS UNIQUENESS, AND IN THE SPIRIT OF INTERNATIONAL COOPERATION WE LAUNCHED A MAJOR INITIATIVE TO COME TO GRIPS WITH THE CRISIS IN ENERGY. THE INTERNATIONAL ACTION PROGRAM WHICH WE ENVISAGE, ECOMPASSES THE FOLLOWING MAJOR ELEMENTS:

-- CONSERVATION MEASURES TO IMPROVE EFFICIENCY IN ENERGY USE;

-- DEMAND RESTRAINT;

-- ACCELERATED DEVELOPMENT OF CONVENTIONAL ENERGY RESOURCES;

-- ECONOMIC AND MONETARY MEASURES, INCLUDING PRICING, AID, TRADE AND INVESTMENT; AND

-- INTERNATIONAL COOPERATION ON ENERGY RESEARCH AND DEVELOPMENT.

WE BELIEVE THAT SEVERAL ASPECTS OF THE ENERGY RELATED PROBLEMS ARE OF PARTICULAR INTEREST TO DEVELOPING COUNTRIES IN THE ECAFE REGION. AMONG THESE IN SUMMARY FORM ARE THE DEVELOPMENT OF NEW SOURCES OF ENERGY AND THE SHARING OF TECHNOLOGY IN THOSE FIELDS RELATED TO ENERGY DEVELOPMENT AND ENERGY UTILIZATION. AND WE ALL, PRODUCER AND CONSUMER COUNTRIES ALIKE, HAVE A MAJOR STAKE IN RESOLVING ISSUES WHICH HAVE ARISEN AS A RESULT OF THE MOST RECENT INCREASE IN PRICE OF OIL.

THE UNITED STATES WELCOMES THE OPPORTUNITY TO COOPERATE WITH COUNTRIES IN THE CAFE REGION ON THESE MATTERS. WE ALSO WELCOME THE CONSTRUCTIVE INITIATIVES OF INTERNATIONAL FINANCIAL INSTITUTIONS IN THE FIELDS OF MONETARY, PAYMENT AND DEVELOPMENTAL AID. WE ARE, IN THIS REGARD, ENCOURAGED BY SOME OF THE RECENT RESPONSES FROM MAJOR OIL PRODUCING COUNTRIES WHICH SERVE TO INDICATE THEIR RECOGNITION OF THE NEED FOR SHARED RESPONSES AND SHARED RESPONSIBILITY TO ALLEVIATE THE PLIGHT OF ALL DEVELOPING COUNTRIES. WE NOTE THAT A MAJOR OIL PRODUCER HAS RECENTLY BECOME THE SECOND LARGEST CONTRIBUTOR TO THE WORLD FOOD PROGRAM. WE FULLY RECOGNIZE THAT ENERGY AND OIL PRICES ARE NOT THE ONLY PROBLEMS AFFLICTING

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THE ECONOMIES OF DEVELOPING COUNTRIES. WE MUST FACE THE FACT, HOWEVER, THAT MOST OTHER ILLS IN THE ECONOMIC SYSTEMS OF THE DEVELOPING COUNTRIES BEAR A RELATION TO THE PROBLEMS OF ENERGY.

INFLATION HAS BECOME A MAJOR PROBLEM OF THE WORLD ECONOMY. THIS IS OBVIOUSLY DUE PARTLY TO GROWING DEMAND PRESSURES ON LIMITED RESOURCES. IT IS ALSO PARTLY DUE TO THE FACT THAT FEW GOVERNMENTS HAVE THE POLITICAL WILL AND POLITICAL RESOURCES TO FOREGO THE SOCIAL AND ECONOMIC OBJECTIVES INHERENT IN ECONOMIC GROWTH AND THUS CONTRIBUTE TO THE INCREASE OF DEMAND PRESSURE. AND, CANDOR COMPELS US TO DRAW ATTENTION TO THE FACT THAT IN ALL ECONOMIC SYSTEMS THERE IS INCREASINGLY A DEMAND FROM THOSE AT THE LOWER END OF THE ECONOMIC ORDER FOR A FAIRER AND LARGER SHARE OF THE WEALTH PRODUCED BY OUR VARIOUS ECONOMIES. FOR EXAMPLE, MOST OF THE DEVELOPING COUNTRIES IN THE ECAFE REGION FACE MAJOR DIFFICULTIES IN MAINTAINING STABLE PRICES FOR DAILY STAPLES OF EVEN THE TRADITIONAL DIETS. THERE ARE OBVIOUSLY ADVERSE CONSEQUENCES FLOWING FROM THIS SITUATION FOR POLITICAL AND ECONOMIC STABILITY

IN THIS CONTEXT WE MUST NOTE THAT PROVISION OF FOOD FOR THE WORLD'S POPULATION IS A MAJOR PROBLEM. WE MUST NOTE THAT DEMAND MULTIPLIES AT AN EXPLOSIVE RATE. POPULATION GROWTH, RISING INCOMES, HEIGHTENED EXPECTATIONS; ALL CONTRIBUTE TO THE DEMAND EXPLOSION. WE IN THE UNITED STATES ARE KEENLY AWARE OF THE CONSEQUENCES OF FAILURE TO DEAL WITH THE FOOD CRISIS. HERE AGAIN A WORLDWIDE EFFORT ON A COOPERATIVE BASIS IS REQUIRED FOR RESOLUTION. IT IS A RECOGNITION OF THIS UNDENIABLE FACT THAT LAST SEPTEMBER

SECRETARY KISSINGER CALLED FOR A WORLD FOOD CONFERENCE AS ONE WAY OF FOCUSING ON THE PROBLEM OF ENERGIZING THE WORLD COMMUNITY INTO ACTION.

ONE OF THE MAJOR ISSUES WHICH MUST BE DEALT WITH IS THAT OF A DRAMATIC INCREASE IN PRODUCTION OF FOOD AND NOT JUST PRODUCTION IN THE UNITED STATES OR OTHER TRADITIONAL PRODUCERS OF SURPLUSES BUT PRODUCTION IN THE DEVELOPING WORLD. ONE OBVIOUS KEY TO INCREASING FOOD PRODUCTION IS THE INCREASE IN FERTILIZER PRODUCTION. OF COURSE, LIKE SO MANY OTHER PROBLEMS OF INTEGRAL ECONOMIC ANALYSIS, WE ARE AWARE THAT SYSTEMIC DIFFICULTY IN INCREASING FERTILIZER PRODUCTION LIES IN THE SHORT-FALL OF REFINERY CAPACITY. NEVERTHELESS, SOME ALLEVIATION WOULD STEM FROM AN INCREASED AVAILABILITY OF PETROLEUM AT REASONABLE PRICES. WE CAN ALMOST COMPUTE THE LIVES UNCLASSIFIED

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LOST TO STARVATION IN TERMS OF THE NUMBER OF TONS SHORT-FALL IN PETROLEUM-BASED FERTILIZERS. IN THE LAST DECADE, FOR EXAMPLE, THE UNITED STATES SCIENTISTS, IN COOPERATION WITH SCIENTISTS OF MANY OTHER NATIONS, DEVELOPED AND DEVELOPING ALIKE, HAVE CREATED THE SO CALLED GREEN REVOLUTION THROUGH THE DEVELOPMENT OF HYBRID SEEDS AND STRAINS OF CEREAL GRAINS. WE MUST REMIND OURSELVES, HOWEVER, THAT THE INCREASED YIELD FOR THESE NEW STRAINS RESTS UPON THE INPUT OF ENORMOUS AMOUNTS OF PETROLEUM-BASED FERTILIZERS AND THE AVAILABILITY OF WATER. UNLESS THIS INTERLINKED PROBLEM OF PETROLEUM AND FERTILIZERS IS RESOLVED, MOST OF THE WORLD'S POPULATION WILL INDEED STAND ON THE BRINK OF DISASTER.

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IN TURNING NOW TO THE MAJOR ECONOMIC AND SOCIAL PROBLEMS OF THE REGION, I SHOULD LIKE TO MAKE A FEW OBSERVATIONS ABOUT THE MULTITUDE OF COMPLEX AND INTER-RELATED ISSUES WHICH WE GENERALLY REFER TO AS "DEVELOPMENT PROBLEMS". I WISH TO CONGRATULATE THE SECRETARIAT FOR ITS THOUGHTFUL AND PENETRATING SURVEYS OF THE SOCIAL AND ECONOMIC PROBLEMS IN THE REGION. MY GOVERNMENT DEEMS IT PARTICULARLY APPROPRIATE THAT THIS DOCUMENT EMPHASIZES IN THE YEAR SOME OF THE PROBLEMS OF SOCIAL DEVELOPMENT. THIS IS WORLD POPULATION

YEAR. AND DURING THIS YEAR THE UNIVERSAL PROBLEM OF POPULATION GROWTH WILL BE CONSIDERED AT THE WORLD POPULATION CONFERENCE IN BUCHAREST. BEYOND THAT, 1975 WILL BE INTERNATIONAL WOMEN'S YEAR, AN EXTENDED OCCASION UPON WHICH WE HOPE THE ROLE OF WOMEN IN THE CONTEXT OF THE TOTAL SOCIETY WILL BE CONSIDERED. AGAIN LET ME REPEAT THAT WE THINK IT PARTICULARLY APPROPRIATE THAT THE SECRETARIAT HAS ADDRESSED ITSELF TO THE PROBLEM OF SOCIAL DEVELOPMENT IN THE REGION.

IN THIS CONNECTION, WE SHOULD LIKE TO NOTE OUR ACCORD WITH MANY OF THE OBSERVATIONS AND FINDINGS IN THE SECRETARIAT'S STUDY. IN PARTICULAR WE AGREE WITH UNCLASSIFIED

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THE CONCLUSION THAT DEVELOPMENT IS AN EXTREMELY COMPLEX PROCESS DEPENDENT ON THE PROPER INTER-RELATIONSHIP OF ECONOMIC, SOCIAL, POLITICAL, CULTURAL AND PSYCHOLOGICAL FACTORS. FURTHER, WE MUST CONSIDER WHAT IS STYLED THE "ENVIRONMENT FOR DEVELOPMENT" IN EACH COUNTRY AS A SPECIAL CASE. FINALLY WE PARTICULARLY ENDORSE THE CONCLUSION THAT A KEY INGREDIENT IN EACH OF THESE SPECIAL CASES IS "PARTICIPATION", PARTICIPATION OF THE INDIVIDUAL IN THE PROCESS OF NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT IN THE BROADEST CONTEXT. WE KNOW THAT PARTICIPATION ENHANCES HUMAN DIGNITY AND INDEED IT MAY WELL BE THAT THE ENHANCEMENT OF DIGNITY ULTIMATELY IS WHAT DEVELOPMENT IS ALL ABOUT.

IN MY OWN COUNTRY WE HAVE LEARNED OF THE ENORMOUS IMPORTANCE OF PARTICIPATION AND DIGNITY. WE HAVE LEARNED -- SOMETIMES THROUGH COSTLY FAILURES -- THAT IT WAS NOT ENOUGH TO PROVIDE ADEQUATE HOUSING TO THE POOR IN A PHYSICAL SENSE, I.E., DECENT, SAFE AND SANITARY IN THE WORDS OF OUR HOUSING LEGISLATION. WE HAVE

LEARNED THAT IT IS NECESSARY TO PROVIDE THE COMMUNITY WITH A WIDE RANGE OF SOCIAL SERVICES. WE HAVE ALSO LEARNED THAT IT IS INSUFFICIENT MERELY TO OFFER THESE SERVICES FROM THE OUTSIDE BUT THAT IT WAS ESSENTIAL THAT THE ENTIRE COMMUNITY BE INVOLVED -- PARTICIPATING IN THE MANAGEMENT OF ITS OWN AFFAIRS. OTHERWISE, WE HAVE FOUND THAT THE BEST DESIGNED AND BEST CONSTRUCTED HOUSING PROJECTS SOON DETERIORATE INTO SLUM AREAS FILLED WITH HUMANS SHORN OF HUMAN DIGNITY.

UNFORTUNATELY, IT IS EASY TO BUILD HOUSES AND IT IS RELATIVELY EASY TO BUILD DAMS, ROADS, SCHOOLS AND CEMENT PLANTS. IT IS MUCH MORE DIFFICULT TO PLAN AND IMPLEMENT THE PROCESS OF EFFECTIVE HUMAN PARTICIPATION IN DEVELOPMENT. WE HAVE TO BE GRATEFUL THEREFORE TO ORGANIZATIONS LIKE ECAFE WHICH SO EFFECTIVELY CONTRIBUTE TO OUR KNOWLEDGE OF THESE DIFFICULT AND SEEMINGLY INTRACTABLE PROBLEMS. WE ARE GRATEFUL TOO FOR THE PROVISION OF OPPORTUNITIES SUCH AS THIS TO EXCHANGE VIEWS TO OUR MUTUAL BENEFIT.

NATURALLY, IT IS NOT ENOUGH TO LEARN, OUR KNOWLEDGE HAS TO BE TRANSLATED INTO ACTION. AND AT THAT STAGE WE ENCOUNTER THE PROBLEM OF RESOURCES, WHICH REMAINS A PROBLEM EVEN AFTER RECOGNITION THAT DEVELOPMENT IS MORE COMPLEX THAN SAVINGS-CONSUMPTION, INVESTMENT-OUTPUT RATIOS OF GNP GROWTH. IN FACT, THE REALIZATION OF THE COMPLEXITY OF THE PROBLEM MEANS THAT WE FACE A MUCH MORE

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DIFFICULT PROBLEM IN ALLOCATING RESOURCES. AGAIN, THE IMPACT OF THE ENERGY CRISIS AGGRAVATES RESOURCE ALLOCATION BOTH WITHIN THE DEVELOPING COUNTRIES AND WORLDWIDE. THERE IS NO WAY OF GETTING AROUND THE FACT THAT THE TRIPLING OF OIL PRICES MEANS A REDUCTION OF RESOURCES AVAILABLE TO THOSE WHO HAVE TO PAY THE BILL. THIS POTENTIALLY LEADS TO A REDUCTION OF DEMAND, A CONTRACTION OF WORLD TRADE AND TO THE ONSET OF A CUMULATIVE RECESSIONARY CYCLE. WE NEED FAR-SIGHTED ECONOMIC POLICIES AND MAJOR EFFORTS TO GUARD AGAINST SUCH AN EVENTUALITY. UNFORTUNATELY, IN TIMES OF ECONOMIC STRESS IT IS EASIER TO FIND AGREEMENT AMONG ECONOMIC EXPERTS ON THE RIGHT REMEDIES THAN IT IS TO PERSUADE PUBLIC OPINION AND OUR RESPECTIVE PARLIAMENTS OF THE NECESSITY FOR THEIR APPLICATION. FOR THAT, WE MUST BE ABLE TO SHOW THAT THERE IS A PERCEPTION OF THE COMMON DANGER AND A WILLINGNESS ON THE PART OF ALL TO WORK TOWARD AN EQUITABLE SOLUTION.

FINALLY, WHILE I AM ON THE SUBJECT OF RESOURCES, I WOULD LIKE TO NOTE BRIEFLY MY GOVERNMENT'S INTEREST IN THE SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY WHICH WILL BEGIN ON APRIL 9 TO STUDY THE PROBLEMS OF RAW MATERIALS AND DEVELOPMENT. I AM SURE THIS INTEREST IS SHARED BY THE OTHER GOVERNMENTS AT THIS MEETING.

THE UNITED STATES APPRECIATES THAT THE RANGE OF ISSUES
TO BE CONSIDERED IN CONNECTION WITH THE TOPIC "RAW MATERIALS
AND DEVELOPMENT" IS BROAD.WE BELIEVE A DISCUSSION OF THE
PROBLEMS FACING THE WORLD ECONOMIC SYSTEM IN THE AREA OF RAW
MATERIAL SUPPLIES AND PRICES CAN BE BOTH HEALTHY AND HELPFULV WE
WILL LISTEN ATTENTIVELY TO THE VIEWS OF OTHER GOVERNMENTS AS
TO HKL NATURE OF THEIR ECONOMIC PROBLEM
AND THEIR POTENTIALS FOR
SOLUTION. AND WE ARE HOPEFUL THAT, MOVED BY A RECOGNITION OF
THE INTERDEPENDENCE OF STATES AND BY A SPIRIT OF INTERNATIONAL
COOPERATION RATHER THAN CONFRONTATION, THE GENERAL ASSEMBLY WILL
PRODUCE CONSTRUCTIVE RESULTS. WE CAN DEMAND NO MORE AND EXPECT
NO LESS OF THE INTERNATIONAL COMMUNITY.

I APPRECIATE THIS OPPORTUNITY TO EXPRESS SOME OF THE VIEWS OF
MY GOVERNMENT AND LOOK FORWARD TO MORE DETAILED DISCUSSIONS OF
THESE AND OTHER MATTERS DURING THE COMING DAYS. THANK YOU,
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MR CHAIRMAN.
VAN HOLLEN

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